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Hearing Date: February 11, 2009 at 10:00 a.m.
Objection Deadline: February 6, 2009 at 5:00 p.m.

Attorneys for the Tobacco Settlement Authority

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	: Chapter 11
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: Case No. 08-13555 (JMP)
	: (Jointly Administered)
Debtors.	:
	:
-----X	

**DECLARATION OF KRISTIN S. ELLIOTT IN SUPPORT OF MOTION OF
THE TOBACCO SETTLEMENT AUTHORITY FOR AN ORDER (A) COMPELLING
LEHMAN BROTHERS SPECIAL FINANCING INC. TO ASSUME OR REJECT AN
EXECUTORY CONTRACT PURSUANT TO 11 U.S.C. § 365(d)(2) OR,
ALTERNATIVELY, (B) MODIFYING THE AUTOMATIC STAY TO ALLOW THE
SETTLEMENT AUTHORITY TO TERMINATE THE AGREEMENT**

KRISTIN S. ELLIOTT, hereby declares pursuant to 28 U.S.C. § 1748:

1. I am a member of the Bar of this Court, and I am an associate of the law firm of K&L Gates LLP, with offices located at 599 Lexington Avenue, New York, New York 10022, and counsel to the Washington State Tobacco Settlement Authority in the within matter.

2. Attached hereto as Exhibit A is a true copy of a Bloomberg printout reflecting that, as of September 15, 2008, Moody's had downgraded the the senior unsecured debt rating of Lehman Brothers Holding Inc. to a rating of "B3".

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 14, 2009



Kristin S. Elliott

EXHIBIT A

<HELP> for explanation.

Equity**CRPR**

Related Functions	Company Tree Ratings	Alert	CREDIT PROFILE
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Lehman Brothers Holdings Inc

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Senior Unsecured Debt -MOODY'S

1) Is						
2) Se	RATING	WATCH	EFFECTIVE	RATING	WATCH	EFFECTIVE
3) Su	WR		12/10/08	A3		1/13/88
4) JR	C		12/ 8/08	A2		8/28/86
5) Pr	B3	*-	9/15/08			
6) Sh	A2	*	9/10/08			
	A2		7/17/08			
	A1	*-	6/13/08			
7) LT	A1		10/22/03			
8) LT	A2	*+	6/24/03			
9) ST	A2		11/ 3/00			
10) ST	A3	*+	9/14/00			
	A3		8/ 5/99			
	Baa1	*+	7/ 7/99			
	Baa1		3/21/95			

UP / DOWN / NEUTRAL



to return to credit profile

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2009 Bloomberg Finance L.P.
H198-726-0 12-Jan-2009 11:20:45

Bloomberg
TERMINAL